



PUBLIC NOTICE

Federal Communications Commission
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DA 13-1992
Released: September 26, 2013

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF
THE RYE TELEPHONE COMPANY, SOUTH PARK L.L.C. D/B/A SOUTH PARK
TELEPHONE COMPANY, CABLECO, LLC D/B/A GHVALLEY LONG DISTANCE
TO USCONNECT HOLDINGS INC. AND USCONNECT ACQUISITIONS III, INC.**

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 13-237

Comments Due: October 10, 2013

Reply Comments Due: October 17, 2013

On September 20, 2013, The Rye Telephone Company (RTC), South Park L.L.C. d/b/a South Park Telephone Company (SPTC) and CableCo, LLC d/b/a ghValley Long Distance (CableCo), and USConnect Holdings Inc. (USConnect) and its subsidiary USConnect Acquisitions III, Inc. (USConnect Acquisitions) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules¹ to transfer control of RTC, SPTC, and CableCo to USConnect and USConnect Acquisitions.

RTC, a Colorado corporation, provides incumbent local exchange carrier (LEC) services in three exchanges in Pueblo, Huerfano, Custer, Las Animas, and Baca Counties in Colorado. RTC is a wholly owned subsidiary of Corona Holdings, Inc. (Corona), a North Carolina corporation, which, in turn, is a wholly owned subsidiary of American Broadband Acquisition Corp. III (ABAC III), a Delaware corporation. SPTC, a Colorado limited liability company, is also a wholly-owned subsidiary of Corona and provides incumbent LEC services in Park County, Colorado. CableCo, a Colorado limited liability company and wholly-owned subsidiary of Corona, provides interstate services in and around the service areas of its affiliates, RTC and SPTC.

USConnect, a Delaware corporation, was created to purchase and operate rural LECs. USConnect owns 100 percent of USConnect Acquisitions, a Delaware corporation, formed for the purpose of acquiring the shares of ABAC III. Applicants state that the following U.S.-based LECs will hold a ten percent or greater attributable interest in USConnect when the proposed transaction closes: Brazoria Telephone Company (serving Brazoria County, Texas), Dickey Rural Telephone Cooperative, Inc. (serving counties in North Dakota and South Dakota), FTC Management Group, Inc. (subsidiary of

¹ 47 C.F.R. § 63.03; *see* 47 U.S.C. § 214. Applicants also filed applications for transfer of control associated with authorization for international and wireless services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. Applicants filed a supplement to their domestic section 214 application on September 26, 2013.

Farmers Telephone Cooperative, Inc. that serves counties in South Carolina), Golden West Telecommunications Cooperative, Inc. (serving counties in Nebraska, South Dakota, Wyoming), Horry Telephone Cooperative, Inc. (serving counties in South Carolina). Applicants state that each LEC will own 19.2857 percent of the preferred stock of US Connect and have a 17.357 percent voting interest in US Connect. They further state that the LECs are all organized as cooperatives in which no stockholder owns or votes as much as a one percent interest and that none of the service territories of the LECs adjoins or overlaps the service territory of RTC or SPTC. Applicants state that, in addition to the preferred stock issued by US Connect, Leo Staurulakis and Manny Staurulakis, both U.S. citizens, each own one-third of the common stock of US Connect and jointly own MLStar, LLC, a Virginia limited liability company that will own 3.6 percent of the preferred stock of USConnect. Neither individual owns any other telecommunications entities.²

ABAC III, USConnect, and USConnect Acquisitions have entered into an Agreement and Plan of Merger whereby USConnect Acquisitions will merge with and into ABAC III, with ABAC III to be the surviving corporation after the merger. As a result, ABAC III and its subsidiaries will be controlled by USConnect. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(iii) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.³

Domestic Section 214 Application Filed for the Transfer of Control of The Rye Telephone Company, South Park L.L.C. d/b/a South Park Telephone Company, CableCo, LLC d/b/a ghValley Long Distance to USConnect Holdings Inc. and US Connect Acquisitions III, Inc., WC Docket No. 13-237 (filed Sept. 20, 2013).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before October 10, 2013**, and reply comments **on or before October 17, 2013**. Pursuant to section 63.52 of the Commission's rules, 47 C.F.R. § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.

Pursuant to section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents in this proceeding using the Commission's Electronic Comment Filing System (ECFS): <http://fjallfoss.fcc.gov/ecfs2/>.

In addition, e-mail one copy of each pleading to each of the following:

- 1) Myrva.Charles, Competition Policy Division, Wireline Competition Bureau,
myrva.charles@fcc.gov;

² US Connect is acquiring Livingston Telephone Company (LTC) and Telecom Supply, Inc. (TSI). LTC is an incumbent LEC serving several exchanges in Polk County, Texas. TSI is a wholly-owned subsidiary of LTC and provides interstate telecommunications services within the service areas of LTC. *Notice of Domestic Section 214 Authorization Granted*, WC Docket No. 13-186, Public Notice, DA 13-1798 (rel. Aug. 26, 2013). Applicants state that LTC's incumbent LEC service territory does not adjoin or overlap the local exchange service territories of RTC or SPTC.

³ 47 C.F.R. § 63.03(b)(2)(iii).

- 2) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 3) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 4) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

The proceeding in this Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s ex parte rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b), 47 C.F.R. § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission’s ex parte rules.

For further information, please contact Myrva Charles at (202) 418-1506 or Jodie May at (202) 418-0913.

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